



Survivor Benefits

Initial Consideration

**WASHINGTON STATE
Law Enforcement Officers' and Fire Fighters'
Plan 2 Retirement Board**

October 26, 2005

Survivor Benefits Outline

- Current provisions
- Actuarial reductions
- Costs of removing actuarial reduction

Current Options

- Joint and 100% Survivorship
- Joint and $66\frac{2}{3}\%$ Survivorship
- Joint and 50% Survivorship

Actuarial Reductions

- Difference in age
- Survivor percentage

Example

- Member is three years older than spouse and the monthly benefit is \$2,750

OPTION	FACTOR	BENEFIT	CONTINUING
No survivor	1.000	\$2,750.00	\$0.00
Joint 100%	0.855	\$2,351.25	\$2,351.25
Joint 66⅔%	0.898	\$2,469.50	\$1,646.33
Joint 50%	0.922	\$2,535.50	\$1,267.75

Comparisons

- LEOFF Plan 1
- WSPRS Plan 1
- PERS/SERS/TRS/PSERS

Option Costs

- No cost Joint & 100%
- No cost Joint & $66\frac{2}{3}\%$
 - Pay extra cost for Joint & 100%
- No cost Joint & 50%
 - Pay extra cost for Joint & $66\frac{2}{3}\%$
 - Pay extra cost for Joint & 100%

Summary

- Currently three survivor options
- Choosing a survivor option reduces benefit
- Costs of removing actuarial reductions

Questions?